

University students 'ripped off' on loan payments

By BURT FOLKINS

Chances are that people who were students up until three or four weeks ago were being ripped off in paying back Canada Student Loans.

The Bank of Montreal, although not totally responsible for what has happened to the students, is partly to blame.

An accomplice in this act seems to be the governments who wrote up the administrative part of the Canada Student Loan Act. When the Act was written in 1964, it stated in section 4 of the Act on Interest and Repayment Free Period.

"No interest is payable by a student on a guaranteed student loan, in respect of any period while he is a full-time student at a specified educational institution or in respect of any subsequent period ending on the last day of the sixth month after the month in which he

ceases to be a full-time student. 1964-65, c. 24, s. 4."

However, this was not to be as clear as it looks.

A full-time student as described in the Student Loan Act, is someone who is "enrolled, or qualified to enroll, in a post-secondary course of studies at an educational institution situated anywhere in the world, that has been designated by your Province, for a course of studies of not less than twenty-six weeks of assigned work in the academic year." Twenty-six weeks constitutes approximately one academic year in university.

Attention was focused on this situation by a student who recently withdrew from the University of New Brunswick after three years and one term in the Nursing Faculty. Pamela Richard was very much disturbed, according to Gordon Kennedy, after she was told that she had to start paying her student

loan back in January 1976. She had only withdrawn from university that same month.

To explain what had happened, one must go back to the loan act where it states a person is not a full-time student enlisted in a twenty-six program his not eligible for a Canada Student Loan. In Richard's case she had had a loan during the 1974-75 academic year but had withdrawn from the current year before completing the required twenty-six weeks.

The result of this was that her six month interest free period began on May 1, 1975 and lasted until December 1, 1975. At this time interest started on her loan and she was required to make her first payment on January 1, 1976 because she withdrew from university.

Schedules one and two of the Canada Student Loan Plan lists four obligations on the back of the student's copy, to which the student must comply. The first

three are self-explanatory; the problem lying in the fourth one. It states, "To complete a Consolidated Guaranteed Student Loan Agreement with the bank within six months of the date upon which the student ceased to be a full-time student and to repay principal and interest in accordance with that agreement." This seems to verify what was stated earlier in the Canada Student Loan Act. Both statements are misleading.

In effect, the campus branch of the Bank of Montreal has been up until this case going under the assumption that students who did not complete twenty-six weeks in an academic year would immediately begin paying back their principle on the loan plus interest without the eligibility of the six month interest free period. If they have had a loan before as was Miss Richard's case, their six month interest free period would begin at the time they last completed their twenty-six week period as a

full-time student.

Manager of the campus branch of the Bank of Montreal Miss Rebecca Watson said in an interview that everything has been straightened out and did not want a fuss made of something that was nothing.

Watson said she was not aware of any other situations of this kind up until the Richard problem arose. She made clear that they had no intention of checking records or trying to contact students affected in the past by this part of the act. There's no way to check the files apparently until the government sends a slip to the bank indicating that the students have withdrawn and it is time to pay back the loan. Watson was very concerned that the branch present a good impression and indicated the staff had always worked in the best interest of the students.

Questioned whether there could

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FREE

Moncton students head home



Official Centennial Building door-opener refuses entry to two U de M students.

By PETER KRAUTLE

The seven hundred protesting students from colleges and universities across the province decided last Monday to end their 12 day occupation and demonstration at the Centennial Building for changes to the student aid programme. The students decided to end their demonstration following the New Brunswick government acceptance of a proposal drawn up by student negotiators.

The agreement calls for one representative from the provincial government, one student representative and a third person chosen

by the two representatives, to meet February 15 to begin negotiations for changes to the student aid program in New Brunswick. The students have chosen Fernand Arsenault, U de M professor, as their representative to the talks. The agreement was signed by

Premier Hatfield, Youth Minister Jean-Pierre Ouellet and the student negotiators, Gilles Beaulieu and Camille McLaughlin. While the proposal was being made protesting students clasped hands, marched, and completely surrounded the Centennial building. When

the agreement was signed, the students filed into the adjacent St. Dunstan's Cathedral to discuss their next strategy.

The discussions in the Church were mainly centered around the decision whether to end the demonstration. The 500 Universite de Moncton students who were protesting in Fredericton were ousted from the Centennial building by police Sunday afternoon and were offered temporary accommodation at St. Dunstan's Cathedral by the church rector. Father Dolan. However parishioner pro-

tests forced the church rector to ask the students to find other accommodation.

Many of the 150 to 200 UNB and STU students suggested that the U de M students be allowed to stay up in the SUB. UNB SRC president Jim Smith pointed out that the SUB was contracted out for events and that 600 students sleeping in the ballroom would be against fire regulations. Students reacted unfavourably to Smith's reply reasoning that the SUB belonged to students and therefore should have jurisdiction over who is allowed to use it. Student comments ranged from 'UNB students can sell 1000 beer tickets at Extraveganza but can't put up 600 demonstrators' to 'my hundred dollars (to the SRC) says that you (demonstrators) can stay at the SUB. . . (third year UNB student).

UNB SRC vice-president Gordon Kennedy told the students that he was in favor of the demonstration and would really like to see it go to the finish but 'the world is full of bigots, and if we (referring to demonstrating students) go up on campus (for accommodation), there will be violence. . .'

A UNB student stated that there was a very negative reaction towards the demonstration on the UNB and STU campus. According to that student "If you (students) go and occupy the SUB without permission of the authorities, then you will not obtain active support of the students on campus and general public."

U de M students however were very reluctant to leave. Many students came to Fredericton prepared to stay until the demands were met and one student

commented 'do we stop now after staying for so long and fighting . . .

His reaction was met by cheers and chants from the students.

UNB Anglican Chaplain Barry Hollowell stated that the demonstration had been peaceful and that the students were thinking and making rational decision. However he told the students that "if the thinking stops - the non-violence stops - then you do not deserve the name of university students."

Student negotiator Gilles Beaulieu told the students that part of the demonstration's objectives were met in that support of the public and of the media has been reached. Beaulieu said, "It is better for us to go back to Moncton and reach the public there." "We can always come back to Fredericton - but we must rest, reorganize, and devise a new strategy."

After two hours of discussions in the cathedral a vote was taken in which the majority of students decided to end the demonstration.

After the meeting Beaulieu commented that the meeting was very emotional and students at the meeting "had to consider what is emotion and what is reason." He pointed out that the last decisions, like all other decisions during the demonstration, always had the consensus of the majority of the students.

Jim Smith stated the student aid committee formed four weeks ago will continue to inform students of the negotiations and developments of the student aid programme. According to Smith, "the committee will coordinate the UNB student body under the direction of the SRC."